



Consumer Financial
Protection Bureau

1700 G St. N.W., Washington, D.C. 20552

VIA EMAIL

August 19, 2025

James M. Giudice, Esq.
General Counsel and Chief Legal Officer
PSQ Holdings, Inc.

RE: CFPB Investigation of Credova Financial, LLC

Dear Mr. Giudice,

I am writing to inform you that the Bureau is closing its investigation into Credova Financial, LLC that has been going on since February 2021. After reviewing the case, the Bureau has determined that this investigation exemplifies the type of weaponization against disfavored industries and individuals that President Trump and Acting Director Vought are committed to ending. Credova's use of innovative financial technology solutions to provide consumer financing to facilitate Americans exercising their Second Amendment rights made it a target for the Bureau. It is also one of numerous regulation-by-enforcement actions for which the CFPB under former Director Chopra became infamous. That is unacceptable and ends today.

The record of this investigation clearly demonstrates that it was conducted in a biased manner that targeted Credova's exercise of its constitutional rights and facilitation of others' exercise of their constitutional rights. In the early stages of negotiations, the Bureau's staff even expressed its view that to reach an agreement, Credova should consent to cease leasing firearms as part of its business.

Credova did not bow to the Bureau's pressure. Rather, by the time the Bureau sent its proposed settlement agreement in December, 2024, virtually the entirety of Credova's business (more than 90%) was in the shooting sports space, including firearms, and the Bureau was aware of that fact. The Bureau's demands in its proposed settlement agreement unmistakably appear targeted at shutting down Credova's firearms business through crushing monetary penalties and arbitrary injunctive restrictions. These injunctive provisions were based on the Bureau's paternalistic views regarding the kind of services a business should be allowed to provide to consumers and the Bureau's conviction that consumers cannot really understand the nature of the product they are seeking.

The Bureau's demands also were inconsistent with the realities of how such businesses are run. Even more concerning is that, in the name of customer convenience, the Bureau sought to force Credova to allow its customers to dispose of firearms at the end of a lease in a potentially dangerous manner by returning them to a non-Federal Firearms Licensee ("FFL"). However, the

Bureau was aware from the documents Credova provided that this demand was contrary to the Bureau of Alcohol, Tobacco, Firearms and Explosives' ("ATF") advisory opinion, that Credova obtained and followed, and which made clear that returns must be made only to FFLs.

I also was appalled to learn that the timing of the Bureau's actions was so plainly politically motivated. Based on my review of the record, it is my understanding that, after a period of inactivity and allowing the evidence to go stale, the Bureau ratcheted up its settlement demands, via a proposed consent decree on December 3, 2024. This date was, in fact, the same day as Public Square, Credova's parent company, announced the addition of Donald Trump Jr. to its Board of Directors. The Bureau then pressured Credova to settle before the inauguration of President Trump. I am glad that Credova had the fortitude to resist that pressure.

The record also reveals that the New York Attorney General's exercised utterly inappropriate influence over this investigation. Even though Credova conducts no business in New York and is not subject to the New York Attorney General's jurisdiction, the Bureau was more than happy to allow the state Attorney General to have unprecedented access and influence over this investigation.

The New York Attorney General's office has already disgraced itself by stifling Second Amendment activities, as the Supreme Court documented and unanimously found unconstitutional in its decision in *National Rifle Association v. Vullo*. The Bureau should not have allowed itself to become complicit in another flagrantly unconstitutional attempt by New York to target companies based on their exercise of their First and Second Amendment rights.

In sum, this investigation was not aimed at protecting consumers, but at suppressing activities protected by the First and Second Amendment. This investigation also represents precisely the kind of unconstitutional targeting that President Trump prohibited in his Executive Order on debanking:

Bank regulators have used supervisory scrutiny and other influence over regulated banks to direct or otherwise encourage politicized or unlawful debanking activities. . . . Such practices are incompatible with a free society. . . . They further undermine public trust in banking institutions and their regulators, discriminate against political beliefs and free expression of those beliefs, and weaponize a politicized regulatory state.

Executive Order 14331, *Guaranteeing Fair Banking for All Americans* (August 7, 2025).

James Giudice
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Accordingly, this investigation is closed, and you are relieved of any document retention obligations. If you have any questions, please contact me at mark.paoletta@cfpb.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mark Paoletta', with a stylized flourish at the end.

Mark Paoletta
Chief Legal Officer